

## INDEPENDENT AUDITORS' REPORT

To the Members of NARAYANA DEALCOM PRIVATE LIMITED

Report on the Ind AS Financial Statements

### Opinion

We have audited the accompanying financial statements of Narayana Dealcom Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Attention is invited to the following matter: -

Note No. 2.1 of the Ind AS financial statement regarding non disclosures and fair valuation of Investments in terms of Ind AS 109 "Financial Instruments" in the absence of details, the impact in this respect has not been ascertained presently.

Impacts with respect to above are presently not ascertainable and as such cannot be commented upon by us.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Ind AS state of affairs (Financial Position) of the company as at March 31, 2019 and their Ind AS Loss(financial performance including other comprehensive income), their Ind AS cash flows and the Ind AS changes in Equity for the year then ended.



### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") (as amended) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), Cash Flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standard on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is



sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that :
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.




- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company does not have pending litigations having material impact on the financial position of the Company which have not been disclosed in financial statements as required in terms of the accounting standards and provisions of the Companies Act, 2013.
- ii. The Company did not have long-term contracts including derivative contracts, for which there were any material foreseeable losses..
- iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the company.
3. With respect to the reporting under Section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanation given to us, No Remuneration has been paid by the Company to its Directors. Accordingly provisions of Section 197 are not applicable to the Company.

Place: Kolkata

Date: May 20, 2019

For Surajit Datta & Associates  
Chartered Accountants  
Firm ICAI Registration No. 328815E

  
Surajit Datta  
Proprietor

Membership No. 061755



**"Annexure A" to the Independent Auditor's Report of even date:**

The Statement referred to in paragraph 1 with the heading 'Report on other legal and regulatory requirements' of our Report of even date to the members of Narayana Dealcom Private Limited on the Ind AS financial statements of the Company for the year ended 31<sup>st</sup> March 2019, we report that:

- i) The Company has no fixed assets. Accordingly, the provisions of paragraph 3 (i) of the Companies (Auditor's Report) Order, 2017 are not applicable to the company.
- ii) The company has no inventory. Accordingly, the provisions of paragraph 3 (ii) of the Companies (Auditor's Report) Order, 2017 are not applicable to the company.
- iii) The Company has not granted any loans, secured or unsecured to Companies, Firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the clauses iii (a), iii (b) and iii (c) of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) According to the information and explanation given to us the Company has not accepted any deposits from the public and hence the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the company.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii) a. The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities applicable to it.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.  
b. According to the information and explanation given to us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute.
- viii) According to the information and explanation given to us, the Company has not taken any loan from Banks or financial institutions or debenture holders or government. Accordingly 3(viii) of the Order is not applicable to the Company.
- ix) The Company did not raised any money by way of initial public offer or further public offer (including debt instruments) or Term Loan. Accordingly 3(ix) of the Order is not applicable to the Company.
- x) During the courses of our examination of the books and record of the Company, carried out in accordance with the generally accepted audit practice in India, and according to the




- information and explanation given to us, we have neither come across instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such by the management.
- xi) The Company being a Private Limited Company, provisions of Section 197 read with Schedule V of the Act are not applicable. Accordingly, clause 3(xi) of the Order with regard to managerial remuneration is not applicable to the company.
- xii) The Company is not a Nidhi Company and hence this clause is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) As per information & explanation given to us, the Company has not made any preferential allotment or private placement of shares nor fully or partly convertible debentures during the year under review; as such provisions of section 42 of the Companies Act, 2013 are not applicable to the Company.
- xv) To the best of our knowledge and belief and as per the information and explanation given to us, the Company has not entered into any non cash transactions with directors or persons connected with him.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata

Date: May 20,2019

For Surajit Datta & Associates  
Chartered Accountants  
Firm ICAI Registration No. 328815E

  
Surajit Datta  
Proprietor  
Membership No. 061755



**"Annexure B" referred to in our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Narayana Dealcom Private Limited ("the Company") as at March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial



control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Qualified Opinion**

According to the information and explanation given to us and based on our audit, the following material weaknesses have been identified in the Company's internal financial control over financial reporting as at 31<sup>st</sup> March, 2019:


Note No. 2.1 of the Ind AS financial statement regarding non disclosures and fair valuation of Investments in terms of Ind AS 109 "Financial Instruments" in the absence of details, the impact in this respect has not been ascertained presently.

Impacts with respect to above are presently not ascertainable and as such cannot be commented upon by us.

Place: Kolkata

Date: May 20,2019

For Surajit Datta & Associates  
Chartered Accountants  
Firm ICAI Registration No. 328815E

  
Surajit Datta  
Proprietor  
Membership No. 061755





H KB/VKB

Amount in Rs.

ASSETS	Notes No.	As at 31.03.2019	As at 31.03.2018
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment		-	-
(b) Capital Work-in-progress		-	-
(c) Intangible Assets		-	-
(d) Financial Assets		-	-
i) Investments	2	13,85,70,000	13,85,45,000
ii) Other Financial Assets		-	-
(e) Deferred Tax Assets (Net)		-	-
(f) Other Non current assets		-	-
<b>Total Non-current Assets</b>		<b>13,85,70,000</b>	<b>13,85,45,000</b>
<b>Current Assets</b>			
(a) Inventories		-	-
(b) Financial Assets		-	-
(i) Trade receivables		-	-
(ii) Cash and cash equivalents	3	28,271	6,37,368
(iii) Other Bank balances		-	-
(iv) Loans	4	6,81,04,000	6,69,25,463
(v) Others		-	-
(c) Other current assets		-	-
<b>Total Current Assets</b>		<b>6,81,32,271</b>	<b>6,75,62,831</b>
<b>Total Assets</b>		<b>20,67,02,271</b>	<b>20,61,07,831</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	5	42,20,000	42,20,000
(b) Other Equity	6	20,19,01,190	20,18,16,752
<b>Total Equity</b>		<b>20,61,21,190</b>	<b>20,60,36,752</b>
<b>Non-current Liabilities</b>			
(a) Financial Liabilities		-	-
Borrowings		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other Non Current Liabilities		-	-
<b>Total Non-current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Current liabilities</b>			
(a) Financial Liabilities		-	-
i) Borrowings		-	-
ii) Trade Payables		-	-
iii) Other Financial Liabilities	7	5,67,896	69,000
(b) Other current liabilities		4,000	-
(c) Provisions		-	-
(d) Current Tax Liabilities	8	9,185	2,079
<b>Total Current liabilities</b>		<b>5,81,081</b>	<b>71,079</b>
<b>Total liabilities</b>		<b>5,81,081</b>	<b>71,079</b>
<b>Total Equity and Liabilities</b>		<b>20,67,02,271</b>	<b>20,61,07,831</b>

Summary of significant accounting policies  
Notes on Financial Statements  
These notes are an integral part of the Financial Statements.

1  
2 to 19

As per our report of even date

For Surajit Datta & Associates  
Chartered Accountants  
Firm Registration No. 0328815E

FCA Surajit Datta  
Proprietor  
Membership No 061755



Place : Kolkata  
Date : May 20, 2019

For and on behalf of the Board of Directors

Harsh Kumar Bansal  
Director  
DIN: 00137014

Vivek Kumar Bansal  
Director  
DIN: 00137120

Narayan Dealcom Private Limited  
Statement of Profit and Loss for the year ended 31st March, 2019

Amount in Rs.

SI No.	Particulars	Notes	For the year ended 31.03.2019	For the year ended 31.03.2018
I	Revenue from operations		15,54,190	-
II	Other Income	8	2,25,616	1,94,959
III	<b>Total Income (I + II)</b>		<b>17,79,806</b>	<b>1,94,959</b>
IV	<b>EXPENSES</b>			
	(a) Cost of materials consumed		-	-
	(b) Purchases of Stock in Trade		14,92,086	-
	(c) (Increase)/ Decrease in stock of finished goods, stock in trade, work-in-progress		-	-
	(d) Employee benefits expense		-	-
	(e) Finance costs		-	-
	(f) Depreciation and amortisation expense		-	-
	(g) Other expenses	9	1,73,614	1,29,584
	<b>Total Expenses (IV)</b>		<b>16,65,700</b>	<b>1,29,584</b>
V	<b>Profit/(Loss) before tax (III - IV)</b>		<b>1,14,106</b>	<b>65,375</b>
VI	Tax Expense			
	(1) Current tax	10	29,668	21,575
	(2) Deferred tax- Charge/(Credit)		-	-
	<b>Total tax expense</b>		<b>29,668</b>	<b>21,575</b>
VII	<b>Profit/(Loss) for the year (V-VI)</b>		<b>84,439</b>	<b>43,800</b>
VIII	<b>Other comprehensive income</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	-Remeasurement gains / (losses) on defined benefit plans		-	-
	-Income tax relating to items that will not be reclassified to profit or		-	-
	<b>Other Comprehensive Income for the year(net of tax)</b>		-	-
IX	<b>Total comprehensive income for the year (VII + VIII)</b>		<b>84,438</b>	<b>43,800</b>
X	<b>Earnings per Equity share (of par value Rs 10 each):</b>			
	(1) Basic		0.20	0.10
	(2) Diluted		0.20	0.10

Summary of significant accounting policies  
Notes on Financial Statements  
These notes are an integral part of the Financial Statements.

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2 to 19

As per our report of even date

For Surajit Datta & Associates  
Chartered Accountants  
Firm Registration No. 0328815E

FCA Surajit Datta  
Proprietor  
Membership No 061755



For and on behalf of the Board of Directors

*[Signature]*  
Harsh Kumar Bansal

Director

DIN: 00137014

*[Signature]*

Vivek Kumar Bansal  
Director

DIN: 00137120

Place : Kolkata

Date : May 20, 2019

Narayan Dealcom Private Limited  
Cash Flow for the year ended 31st March, 2019

	(Amount in Rs.)	
	31st March, 2019	31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	1,14,106	65,375
OPERATING EXPENSES BEFORE WORKING CAPITAL CHANGES	1,14,106	65,375
ADJUSTMENTS FOR CHANGES IN WORKING CAPITAL-		
Decrease/(Increase) in Loans and Advances	(11,78,537)	
Increase/(Decrease) in Trade Payable and Other Liabilities	5,02,895	(56,75,463)
<b>CASH GENERATED FROM OPERATIONS</b>	(6,75,642)	68,079
Direct Taxes Paid	(5,61,536)	(56,07,384)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	(22,562)	(21,575)
	(5,84,097)	(55,63,584)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Sale Of Non Current Investments		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	(25,000)	61,05,000
	(25,000)	61,05,000
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		
Cash & Cash Equivalents (Opening Balance)	(6,09,097)	5,41,416
Cash & Cash Equivalents (Closing Balance) - Refer Note No. 3	6,37,368	95,952
	28,271	6,37,368

Note:

The above Cash Flow Statement has been compiled/prepared based on the audited accounts of the Company under the "indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

Summary of significant accounting policies

Notes on Financial Statements

These notes are an integral part of the Financial Statements.

1  
2 to 19

As per our report of even date

For Surajit Datta & Associates

Chartered Accountants

Firm Registration No. 0328815E

FCA Surajit Datta

Proprietor

Membership No 661755



Place : Kolkata

Date : May 20, 2019

For and on behalf of the Board of Directors

*[Signature]*

Harish Kumar Bansal

Director

DIN: 00137014

*[Signature]*

Vivek Kumar Bansal

Director

DIN: 00137120

## (a) Equity Share Capital

Particulars	Amount in Rs.
Balance as at April 1, 2017	42,20,000
Changes during the year	-
<b>Balance As at March 31, 2018</b>	<b>42,20,000</b>
Changes during the year	-
<b>Balance as at March 31, 2019</b>	<b>42,20,000</b>

## (b) Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
<b>Balance as at 01.04.2017</b>	20,18,80,000	(89,308)	20,17,90,692
Profit/(Loss) for the year	-	43,800	43,800
Other Comprehensive Income for the year arising from Remeasurement of defined benefit obligation (Net of Income Tax)	-	-	-
<b>Balance As at 31.03.2018</b>	<b>20,18,80,000</b>	<b>(45,508)</b>	<b>20,18,34,492</b>
Profit/(Loss) for the year	-	84,438	84,438
Other Comprehensive Income for the year arising from Remeasurement of defined benefit obligation (Net of Income Tax)	-	-	-
<b>Balance As at 31.03.2019</b>	<b>20,18,80,000</b>	<b>38,930</b>	<b>20,19,18,930</b>

Refer Note No. 6 for nature and purpose of reserves.

Summary of significant accounting policies

Notes on Financial Statements

These notes are an integral part of the Financial Statements.

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2 to 19

As per our report of even date

For Surajit Datta & Associates

Chartered Accountants

Firm Registration No. 0328815E

FCA Surajit Datta

Proprietor

Membership No 061755



For and on behalf of the Board of Directors

Harsh Kumar Bansal

Director

DIN: 00137014

Vivek Kumar Bansal

Director

DIN: 00137120

Place : Kolkata

Date : May 20, 2019

## NARAYANA DEALCOM PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2019

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### Note 1

#### A. Corporate Information

Narayana Dealcom Private Limited ('the Company'), a private limited company, is incorporated at Kolkata, in the State of West Bengal. The corporate office as well as registered office of the Company is situated at 119 Park Street, White House, 3rd Floor, Kolkata, West Bengal- 700016. The Company is primarily engaged into trading of goods and other incidental activities viz Loans and investing activities.

#### B. Statement of Compliance and Recent Accounting Pronouncements

##### i) Statement of Compliance

These financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 to the extent notified and applicable.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to when existing main accounting standard requires a change in the accounting policies hitherto in use.

##### ii) Application of new and revised standards

(i) **Ind AS 115- Revenue from Contracts with Customers:** With effect from 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up method.

(ii) **Appendix B to Ind AS 21- "Foreign Currency Transactions and Advance Consideration and Ind AS 12- Income Taxes** have been revised with effect from 1st April, 2018.

The application of Ind AS 115 and revisions/amendments in other standards do not have any material impact on the financial statements.



### iii) Recent Pronouncements

On March 30, 2019, Ministry of Corporate Affairs (“MCA”) has issued Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116, Leases and Appendix C, ‘Uncertainty over Income Tax Treatments’ to Ind AS 12, ‘Income Taxes’, which are applicable with effect from financial period ending on or after April 1, 2019.

#### Standards issued but not yet effective:

##### Ind AS 116 - Leases

Ind AS 116 will affect the accounting of lessees primarily by removing the current distinction between operating and finance leases. This requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals over the period all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the expense in the earlier years of a lease is expected to be higher.

Presently, the Company is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its financial statements.

##### Appendix C, ‘Uncertainty over Income Tax Treatments’, to Ind AS 12, ‘Income Taxes’

The appendix explains the recognition and measurement of deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

Presently, the Company is in the process of evaluating the impact that application of this appendix is expected to have on its financial statements.

### C. Significant Accounting Policies

#### a. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments that are measured in terms of relevant Ind AS at amortized costs or fair value at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 ‘Presentation of Financial Statements’ and Schedule III to the Companies Act, 2013.



The functional currency of the company is determined as the currency of the primary economic environment in which it operates. The Financial Statements are presented in Indian Rupees.

#### **b. Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- (a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- (c) Level 3: inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

#### **c. Investments in subsidiaries, associates and joint ventures**

The Company records the investments at cost less impairment loss, if any.

#### **d. Financial Instruments - Financial assets and financial liabilities**

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.



The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (referred to as "FVTPL") or at Fair Value Through Other Comprehensive Income (referred to as "FVTOCI") depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

### **1) Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash and cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

### **2) Financial Assets and Financial Liabilities measured at amortised cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost.

The Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortised cost using Effective Interest Rate (referred to as "EIR") method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **3) Financial Asset or Financial Liabilities at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.





#### **4) Financial Assets or Financial Liabilities at Fair value through profit or loss (FVTPL)**

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

#### **5) Impairment of financial assets**

The Company evaluates whether there is any objective evidence that financial assets measured at amortise costs including trade and other receivables are impaired and determines the amount of impairment allowance as a result of the inability of the parties to make required payments. The Company bases the estimates on the ageing of the receivables, credit-worthiness of the receivables and historical write-off experience and variation in the credit risk on year to year basis.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses where maximum contractual period is considered over which the Company is exposed to credit risks.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for financial assets measured at amortised costs are deducted from the gross carrying amount of the assets.

#### **6) Derecognition of financial instruments**

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.



On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

**e. Inventories**

Inventories are valued at lower of the cost or estimated net realisable value.

**f. Equity Share Capital**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

**g. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.



## **h. Revenue Recognition**

### **1. Revenue from Operations**

Revenue is measured based on the considerations specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over a product or service has been transferred and /or products/services are delivered/provided to the customers. The delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the products in accordance with contract or the company has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discounts and rebates collected, if any, are deducted there from sales.

### **2. Other Income**

#### **Interest, Dividend and Claims:**

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Revenue in respect of claims of insurance, etc. are recognized only when there is reasonable certainty as to the ultimate collection.

## **i. Taxes on Income**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.



Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

**j. Earnings Per Share**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**k. Segment Reporting**

The Company has one operating business segment viz, Trading of goods and all other activities are incidental to the same.

**D. Critical accounting judgments, assumptions and key sources of estimation and uncertainty**

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:



**a. Impairment loss on trade receivables**

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

**b. Income taxes**

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

**c. Provisions and Contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.



Notes to the Financial Statements

2 Non Current Investments

Particulars	As at 31.03.19		As at 31.03.18	
	No. of Shares	Amount	No. of Shares	Amount
Investments measured at Fair Value through Other Comprehensive Income				
In equity Instruments				
Investments -Unquoted		13,85,70,000		13,85,70,000
In Bodies Corporate		13,85,70,000		13,85,70,000
<b>Aggregate amount of unquoted investments</b>		<b>13,85,70,000</b>		<b>13,85,70,000</b>

2.1 Investment in Bodies Corporate represents investments made by the company, details whereof and resultant fair valuation are pending compilation. As such, required disclosure and the fair valuation in terms of Ind AS 109, "Financial Instruments", has not been carried out and the same, therefore has been carried at cost.



Notes to the Financial Statements

3 Cash and cash equivalents

Amount in Rs.

Particulars		Note No.	As at 31.03.19	As at 31.03.2018
(a)	Balances with banks In Current accounts		29,283	26,937
(b)	Cash on hand		2,01,334	1,334
			<b>2,30,617</b>	<b>28,271</b>

4 Loans

Particulars		Note No.	As at 31.03.19	As at 31.03.2018
<b>At Amortised Cost</b>				
<b>Unsecured, considered good</b>				
Loans to Bodies Corporate, etc			6,75,04,000	6,81,04,000
			<b>6,75,04,000</b>	<b>6,81,04,000</b>

5 Equity Share Capital

Particulars		Note No.	As at 31.03.19	As at 31.03.2018
<b>Authorised:</b>				
430000 Equity Shares of Rs. 10 each (31.03.2019: 430000 Equity Shares of Rs. 10 each) (01.04.2018: 430000 Equity Shares of Rs. 10 each)			43,00,000	43,00,000
			<b>43,00,000</b>	<b>43,00,000</b>
<b>Issued, Subscribed and fully paid up:</b>				
422000 Equity Shares of Rs. 10 each (31.03.2019: 422000 Equity Shares of Rs. 10 each) (01.04.2016: 422000 Equity Shares of Rs. 10 each)			42,20,000	42,20,000
			<b>42,20,000</b>	<b>42,20,000</b>

Notes:

5.1 The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

5.2 There has been no changes/movements in number of shares outstanding at the beginning and at the end of the reporting period.

3 Shareholders holding more than 5% equity shares

Name of Shareholder	As at 31.03.2019	
	No of Shares	% of Holding
BMW Industries Ltd	4,17,100	98.84%



## 6 Other Equity

	Particulars	Note No.	As at 31.03.19	As at 31.03.2018
(a)	Securities Premium Reserve	6.1	20,18,80,000	20,18,80,000
(b)	Retained earnings	6.2	(63,248)	21,190
			<b>20,18,16,752</b>	<b>20,19,01,190</b>

### Notes:

Refer Statement of Changes in Equity for movement in balances of Reserves.

#### 6.1 Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

#### 6.2 Retained Earnings

Retained earnings generally represent the undistributed profit/amount of accumulated earnings of the company.





Notes to the Financial Statements

7 Other financial Liability

Amount in Rs.

Particulars	Note No.	Amount in Rs.	
		As at 31.03.2019	As at 31.03.2018
Other Financial Liabilities		-	-
		4,000	-
		4,000	-

7.1 There are no dues to Micro and Small enterprises as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

7.2 Trade payables are non-interest bearing and are normally settled on 120 day terms.

8 Current Tax liabilities

Amount in Rs.

Particulars	Note No.	Amount in Rs.	
		As at 31.03.2019	As at 31.03.2018
Provision for income tax (Net of advance tax)		9,185	2,079
		9,185	2,079



## 9 Other Income

		Amount in Rs.		
Particulars	Note No.	For the year ended 31.03.2019	For the year ended March 31,2018	
Miscellaneous Income		2,25,616	1,94,959	
		<b>2,25,616</b>	<b>1,94,959</b>	

## 10 Other Expenses

		Amount in Rs.		
Particulars	Note No.	For the year ended 31.03.2019	For the year ended March 31,2018	
(a) Rates and Taxes		-	-	
(b) Directors' Remuneration		-	21,000	
(c) Bank Charge		-	2,504	
(d) Legal and professional fees		7,364	19,000	
(e) Telephone and communication		50,000	7,540	
(f) Payment to Auditor	10.1	4,000	7,000	
(g) Miscellaneous expenses		40,250	72,540	
Salary		72,000		
		<b>1,73,614</b>	<b>1,29,584</b>	

## 10.1 Payment to Auditor includes:

		Amount in Rs.		
Particulars	Note No.	For the year ended 31.03.2019	For the year ended March 31,2018	
Statutory Audit Fees	10.1.1	4,000	7,000	
		<b>4,000</b>	<b>7,000</b>	

## 11 Tax Expense

		Amount in Rs.		
Particulars	Note No.	For the year ended 31.03.2019	For the year ended March 31,2018	
Tax Expense	11.1	29,668	-	
		<b>29,668</b>	<b>-</b>	

## 11.1 Components of Tax Expense

		Amount in Rs.	
Particulars		For the year ended 31.03.2019	For the year ended March 31,2018
Current tax		-	-
Deferred tax - Charge/(Credit)		-	-
<b>Total tax expense recognised in the current year</b>		<b>-</b>	<b>-</b>

## 11.2 Reconciliation of Income Tax Expenses for the year with accounting profit as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible

in other years and items that are never taxable or deductible. Details in this respect are as follows :

		Amount in Rs.	
Particulars		For the year ended 31.03.2019	For the year ended March 31,2018
<b>Profit before tax</b>			
Income tax expense calculated at applicable corporate rates		1,14,106	-
Less : Effect of Expense/income that are deductible/not taxable in determining taxable profit		39,490	-
Effect of other adjustments		1,050	-
<b>Income Tax recognised in profit and loss</b>		<b>38,440</b>	<b>-</b>

The tax rate used for reconciliations above is as applicable for corporate entities on taxable profits under the Indian tax laws.



## Notes to the Financial Statements

### 12 Contingent Liabilities, Contingent Assets and Commitments (to the extent not provided for)

- 12.1 The company has no pending litigation with respect to claim against the company and proceedings pending with tax/statutory/government authorities.
- 12.2 Capital Commitment : Rs. Nil (Previous year Rs. Nil)
- 12.3 The Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any such assets.

### 13 Earnings Per Share

	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
a)	Profit/(Loss) after Tax for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss(Rs.)	84,438	43,800
b)	Number of Equity Shares (Nos):		
	(i) Weighted average number of equity shares outstanding during the period	4,22,000	4,22,000
	(ii) Dilutive Potential Equity shares	Nil	Nil
	Nominal value per equity share (Rs.)	10	10
c)	Earnings per share of Equity share of Re.10 each (in Rs.) - Basic (a/b(i))	0.20	0.10
d)	Earnings per share of Equity share of Re.10 each (in Rs.) - Diluted (a/b(ii))	0.20	0.10

### 14 Segment Reporting

The company is engaged primarily in Loans and Investing activities and all other incidental activities thereto. Therefore according to the management this is the only operating segment

as envisaged in "Ind AS 108- Operating segments". Thus no separate segment information is disclosed for primary business segments.

### 15 Related Party Transactions

Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

**Related Party where control exist but no transaction has taken place during the year :**

Holding Company : BMW Industries Limited

15.1 The above related party information is as identified by the Management and relied upon by the auditors.

16 The Company has adopted IndAS with effect from 1st April 2017 with comparative being restated wherever required to comply with the requirement of IndAs and schedule III.



Notes to the Financial Statements

17 FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows :-

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets (Current and Non-Current)</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Investments	13,85,70,000	13,85,70,000	13,85,45,000	13,85,45,000
Cash and cash equivalents	28,271	28,271	6,37,368	6,37,368
Loans	6,81,04,000	-	6,69,25,463	-
Other Financial Assets	-	-	-	-
<b>Financial Liabilities (Current and Non-Current)</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Trade Payables	5,67,896	5,67,896	69,000	69,000

**Fair Valuation Techniques**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values :

The fair value of cash and cash equivalents, loans, other financial assets and trade payables approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the Financial Statements approximate their fair values.

Investment in shares as on date of transition have been fair valued to be considered as deemed cost.

**FINANCIAL RISK FACTORS**

The Company's financial liabilities comprise mainly trade payables. The Company's financial assets comprise mainly of Cash and cash equivalents, Loans, Investments and other financial assets.

The Company's is exposed to Market risk, Credit risk and Liquidity risk. The Company's senior management oversees the management of these risks. The Board of Director reviews and agrees policies for managing each of these risks, which are summarised below:



**MARKET RISK**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk includes borrowings, investments, trade payables and trade receivables.

**Interest Rate Risk**

The company is not having any borrowings and hence it is not exposed to any interest rate risk

**Currency Risk**

The Company is not exposed to any foreign currency risk.

**Other Price Risk**

Other Price risk of the financial instrument is not expected to be material.

**CREDIT RISK**

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments and loans. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

**Financial assets that are neither past due nor impaired**

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

**LIQUIDITY RISK**

Liquidity risk refers to the risk that the Company will not be able to settle or meet its financial obligations on time or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company relies on internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

**Maturity Analysis of Financial Liabilities**

As at March 31, 2019

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Amount in Rs.
						Total
Trade payables	4,000		4,000			4,000

As at March 31, 2018

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Amount in Rs.
						Total
Trade payables						



**18 Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as high financial flexibility for potential future borrowings. The company has no outstanding borrowings hence no capital gearing disclosure is required.

**19** These financial statements have been approved by the Board of Directors of the Company on May 20, 2019 for issue to the shareholders for their adoption.

For Surajit Datta & Associates  
Chartered Accountants  
Firm Registration No. 0328815E



FCA Surajit Datta  
Proprietor  
Membership No. 061755



Place : Kolkata  
Date : May 20, 2019

For and on behalf of the Board of Directors



Harsh Kumar Bansal  
Director  
DIN: 00137014



Vivek Kumar Bansal  
Director  
DIN: 00137120